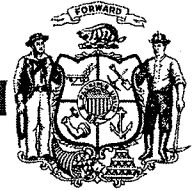




# Frank Lasee

**WISCONSIN STATE SENATOR**  
FIRST SENATE DISTRICT



**Testimony for bill SB-429**  
**Portable Electronics Insurance**  
***Senate Committee on Insurance and Housing***  
**February 15, 2011**

Portable electronics insurance is currently a product that OCI recognizes, and regulates, however, since there is no statutory certainty about the product, with the investment that this industry has placed in this market segment, it is important for us to define the product in statutes to the manner to which it is regulated.

Consumer disclosure is important, and this bill defines the disclosures for this product as well as cements consumer protection and regulation for this market session.

SB-429 simply defines this segment of the market, provides definitions and regulates the industry and provides consumer protections. The industry and OCI have come together to develop this language and support this bill.

Frank Lasee  
Wisconsin State Senator  
First Senate District



# John Nygren

WISCONSIN STATE REPRESENTATIVE ★ 89<sup>TH</sup> ASSEMBLY DISTRICT

State Representative John Nygren  
Testimony on Portable Electronics Act  
Senate Committee on Insurance and Housing  
February 15, 2012

Chairman Lasee and Members of the Committee,

Good afternoon, I would first like to thank you for bringing Senate Bill 429 in front of your committee for a public hearing.

In today's society, people have become heavily reliant on all different types of portable electronics. Most people have taken to replacing home phones with cell phones, using GPS to get them to where they are going and using laptop or iPads both personally and professionally. The reliance on these devices has created a demand for coverage against loss, theft, mechanical failure, malfunction or damage over and above the factory warranty.

Senate Bill 429 establishes criteria for selling and offering portable electronics insurance. Working with Senator Lasee, we have crafted this bill to encompass all portable electronics; alleviating the need for a change in law when new products enter the marketplace.

Under current law, a person may not solicit, negotiate, or place insurance or advise others about insurance needs and coverage without a certificate of authority or a license as an insurance intermediary.

This bill creates a regulatory framework for vendors or their employees who sell portable electronics to also offer insurance without a license, provided the vendor complies with very specific requirements.

In order to benefit under this bill a vender must provide in writing a summary of the material terms of the coverage, how to file a claim, what the cancellation and termination policy is, that the customer is not required to purchase the insurance as a condition of purchasing the product and that the purchase of the insurance may result in duplication of coverage under other insurance policies they may have.

In addition, a vendor must supervise or hire someone to supervise the administration of the sale of portable electronic insurance, maintain a registry of the vendor locations authorized to sell portable electronics insurance and complete a training program.

I have worked closely with the Office of the Commissioner of Insurance and other stakeholders to ensure there are clear regulatory requirements. I believe this bill will provide consumers with added protection on devices that are so instrumental in our lives. Just like car, life, health, or home insurance, consumers desire the opportunity to protect themselves from potential loss.

In closing, I would like to thank you for scheduling this bill for a hearing and for allowing me the opportunity to submit testimony. I would also like to thank Chairman Lasee for taking the lead on this legislation in the Wisconsin State Senate.